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Counsel for Debtor

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD

Debtor.

Case No. BK-23-10423-MKN

Chapter 11

**DECLARATION OF DANIEL AYALA IN
SUPPORT OF DEBTOR'S MOTION FOR
ENTRY OF AN ORDER PURSUANT TO 11
U.S.C. § 554(a) AUTHORIZING THE
DEBTOR TO ABANDON CERTAIN
PROPERTY HELD BY GREGORY M.
PARKER, INC.**

I, Daniel Ayala, declare as follows:

1. I am the Independent Director of Cash Cloud, Inc., dba Coin Cloud, the debtor and debtor-in-possession (the "Debtor").

2. In my capacity as the Independent Director of the Debtor, I am familiar with the financial records of the Debtor and the Debtor's assets, and make the statements herein on behalf of the Debtor.

3. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge. I am over the age of 18 and am mentally competent. If called upon to testify, I would testify competently to the facts set forth in this Declaration.¹ I make this Declaration in support of

¹ Unless otherwise defined herein, all capitalized terms have the meanings ascribed them in the Motion.

the motion captioned above.

Debtor's Filing

4. On February 7, 2023 (the "Petition Date"), the Debtor filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

5. The Debtor is authorized to operate its business and manage its property as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. No request has been made for the appointment of a trustee or examiner. An Official Committee of Unsecured Creditors was appointed on or about February 17, 2023.

Debtor's Business And Contracts And/Or Leases

7. The Debtor was formed as a Nevada corporation for the purpose of providing a platform for customers to buy and sell digital currencies through Digital Currency Machines ("DCMs") distributed across the United States. DCMs are an advanced version of the kiosks commonly referred to as Bitcoin ATMs or BTMs, that enable a consumer to both (a) buy bitcoin as well as 30+ other digital currencies with cash, and (b) sell digital currency for cash. The Debtor's machines are DCMs offering two-way functionality, over 30 digital currency options, an advanced user interface and a custom non-custodial companion wallet app (available on the Apple App Store and the Google Play Store).

8. In connection with the installation, operation, and use of the DCMs, or kiosks ("Kiosks"), Cash Cloud entered into numerous master host agreements, or contracts, with various parties.

Prepetition Termination of the Gregory M. Parker, Inc. Master Host Agreement

9. On or about December 16, 2022, Gregory M. Parker Inc., ("Parker") sent a letter to the Debtor terminating its Master Host Agreement with the Debtor and requesting all Kiosks be picked up and removed from its properties.

10. On or about January 6, 2023, Parker's counsel sent a letter to Debtor that the kiosk located at Parker's Store # 20, 141 Lanier Dr., Statesboro, Georgia 30458 would be disposed of as of January 13, 2023 if it was not picked up and removed from the property due to the business closing and the building being demolished on January 16, 2023. In addition, Parker stated if the Debtor did not contact it to discuss a

1 plan for retrieval of the remaining Kiosks on or before January 13, 2023, Parker would consider the
2 Kiosks abandoned and would take immediate action to dispose of them.

3 11. On or about January 16, 2023, Parker's counsel sent another letter to the Debtor that any
4 Kiosks which had not been removed by the Debtor on or before January 20, 2023 would be
5 considered abandoned and they would dispose of them.

6 12. On or about February 16, 2023, Parker's counsel sent another letter to the Debtor stating that
7 the Kiosks had been removed and were being stored at the Parker's store located at 6159 Hwy. 21
8 S., Rincon, Georgia 31326 and they were giving final notice to the Debtor that Parker would
9 dispose of all Kiosks that had not been retrieved by February 28, 2023.

10 13. The Debtor understands from Parker that it has continued to hold the Kiosks due to the
11 automatic stay arising in connection with the Debtor's bankruptcy filing.

12 **The Current Status of the Kiosks**

13 14. The Debtor believes the Kiosks are the collateral of Genesis Global Holdco, LLC
14 ("Genesis"). The Debtor has informed Genesis that Parker is holding the Kiosks. Based upon
15 correspondence with Genesis, the Debtor believes that Genesis does not intend on obtaining
16 possession of the Kiosks.

17 15. Given Genesis' collateral interest in the Kiosks, the Debtor does not believe there is
18 equity in the Kiosks. Given the lack of equity in the Kiosks, the Debtor believes that the Kiosks are
19 burdensome and of inconsequential value to the estate and that the Kiosks do not provide benefit to
20 the estate.

21 I declare, under penalty of perjury of the laws of the United States of America, that the
22 foregoing statements are true and correct to the best of information, knowledge and belief.

23 Executed this 20th day of September, 2023 in Las Vegas, Nevada.

24 /s/ Daniel Ayala
25 DANIEL AYALA